~~Legal~~ Dept.

K 1946

File No: Cotton Prohibition 4/46

Legal Department

B **BRANCH**

Subject:— Rules and Notifications under the Bombay Options in Cotton Prohibition Act 1939 (Bom ~~XXV~~ of 1939)

2nd 7/46

File No. Cotton Prohibition II/46

Gen. 194 e.

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A revised draft settled in consultation with Mr. Nadkarni of the Fx Finance Department together with a draft notification under sub-section (1) read with the proviso to sub-section (2) of section 3 of the Bombay Cptions in Cotton Prohibition act. 1939 (Bom. XXV of 1939), is sent herewith.

Since the ~~xxxxx~~ amendments will take effect from the date on which they are made and it is proposed to notify them before the end of the month and new trading will start from the same time, the last paragraph in the draft F.D. amendments is unnecessary and has been omitted.

Sd/-

Asstt. Remembrancer of Legal Affairs.

U.R.to N.D.No. 3100, dated the 25th April 1946.

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Finance Department.
Bombay Castle, April 1946.

Bombay Options in Cotton Prohibition Act. 1939.

No. .-Whereas the Government of Bombay is of opinion that in the interests of trade, it is necessary to make forthwith the following amendments in the bylaws of the East India Cotton Association, Limited;

Now, therefore, in exercise of the powers conferred by sub-section (1) and the proviso to subsection (2) of section 3 of the Bombay Options in Cotton Prohibition Act, 1939 (Bom. XXV of 1939), the Government of Bombay is pleased to make the following amendments in the bylaws of the East India Cotton Association Limited, namely:-

(1) To clause (1) of bylaw 47 of the said bylaws the following proviso shall be added, namely:-

" Provided that different dates may be fixed for trading in respect of Delivery Contracts and Headge Contracts."

(2) For by-law 47-A of the said by-laws, the following shall be substituted, namely:-

" 47A: All Hedge and Delivery Contracts shall be subject to the floor and ceiling prices fixed by the Government of India for the purpose of its purchase plan for cotton and for the time being in force."

(3) To by-law 86 of the said bylaws, the following shall be added, namely:-

" The term 'godown ' for the purposes of this by-law and by-laws 87 and 88 means a structure having a plinth,

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roof and continuous external walls and includes any other structure approved in this behalf by the Board or by a person or persons appointed by the Board in that behalf.

5) The three paragraphs of by-law 141 of the said by-laws shall be numbered as clauses (1),(2) and (4) respectively and after clause (2), as so numbered, the following clause shall be inserted, namely:-

"(3) While trading in New Crops is permitted in both Delivery and Hedge Contracts, the basis for periodical settlement of a New Crop Delivery contracts shall be the settlement price of the New Crop Hedge Contract. While trading in New Crops is permitted in Delivery Contracts but not in Hedge Contracts, the basis for periodical settlement of New Crop Delivery Contr acts in any year shall, until trading in New Crop Hedge Contracts is permitted, be the settlement price of the Old Crop Hedge Contract for September delivery next following in that year and upon trading in new ~~f~~ Crop Hedge Contracts being permitted there shall be a budla from the ~~settlement~~ settlement price for September Delivery last preceding the date of such permission to the first settlement price of the New Crop Hedge Contract"

By order of the Governor of Bombay,

Secretary to Government.

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